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C O N F I D E N T I A L SECTION 01 OF 02 NEW DELHI 001410

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TAGS: [PREL](#) [PARM](#) [TSPL](#) [KNNP](#) [ETTC](#) [ENRG](#) [TRGY](#) [IN](#)

SUBJECT: NARAYANAN WORRIED ABOUT PAKISTAN AND NUCLEAR
INITIATIVE

Classified By: Ambassador David Mulford for Reasons 1.4 (B and D)

¶1. (C) Summary: National Security Advisor M.K. Narayanan told the Ambassador May 23 that the May 13 Jaipur blasts had HUJI "fingerprints," but he expressed greater concern about increased infiltration from Pakistan, which he believed could lead to greater tragedy. He related that Pakistan had not fulfilled the terms of the anti-terrorist mechanism, and had even refused to divulge details of suspicious phone numbers intercepted by Indian intelligence. Regarding the civil nuclear cooperation initiative, Narayanan hoped that the May 28 UPA-Left committee meeting would allow India to submit its safeguards agreement to the IAEA Board of Governors. Discussion on end-use monitoring and the VVIP aircraft reported septel. End Summary.

HUJI Fingerprints on Jaipur Blasts

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¶2. (C) In a May 23 meeting with the Ambassador, National Security Advisor M.K. Narayanan related that the May 13 blasts in Jaipur had the fingerprints of Harkat-ul-Jihad-e-Islami (HUJI), especially because of the similarities with the 2007 explosions in Lumbini Park in Hyderabad, for which the Indian government has also held HUJI responsible. Narayanan worried that the government had focused on threats to Bombay and Gujarat, but did not have a "fix" on Rajasthan or Maharashtra. Narayanan remarked that the Indian government has "a lot of information about further plans, but we don't know what to make of it."

Taliban Agreements Fuel More Instability

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¶3. (C) Narayanan turned to the agreements signed by the Pakistani Army with the Taliban. "Deals are being made so that they don't do anything (in Pakistan), but they can do what they like in Afghanistan and on Pakistan's eastern border," he complained. India has "vested interests" in Afghanistan, he described, and pointed to the high number of Indians working there, as well as the need to establish stability in Afghanistan for the sake of South Asian stability. As for India, Narayanan observed that infiltration from Pakistan to India has increased as Musharraf's power declined, which prompted him to convene a "brainstorming session" just before the May 20-21 talks. "We catch a fair number, but lots get through and the numbers are rising," he reported.

Anti-Terrorism Mechanism Not Useful

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¶4. (C) The Ambassador asked whether the anti-terrorism mechanism has helped or came up during the recent talks. Narayanan revealed that the two foreign ministers discussed it "in passing," but in reality, "it hasn't really got off the starting blocks." He explained that counter-terrorism cooperation depends on "a great deal of personal rapport," and he contrasted the "no holds barred" discussions between the Indian and British intelligence with the dialogue between India and Pakistan, which "has not reached a level of comfort." As an example, he noted that India has asked Pakistan to look into several of the "few thousand" phone numbers intercepted from the Taliban, but the Pakistanis continually respond that the number does not exist or no one is on the other end.

Is Terrorism Local?

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¶5. (C) The Ambassador inquired whether Narayanan has seen a rise in local Indians participating in terrorist acts. Narayanan conceded that the Indian government could no longer brag that there are no Indians in Al Qaeda. "We need to be more cautious about that," he remarked, adding that of the nine suspected bombers in Jaipur, four or five might be local. He lamented that the Indian government faced a "chicken-or-egg" dilemma, in which any arrests of Muslims could provoke further radicalization. Despite this problem, "we have managed to prevent a communal backlash and no pogroms have taken place," he related.

Step-By-Step on the Nuclear Deal

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¶6. (C) Regarding the May 28 UPA-Left committee meeting, the Ambassador commented that while he "patiently watched" the internal deliberations of the government, the initiative has entered its final days. Narayanan quipped that he was also "patiently watching." He explained that External Affairs Minister Pranab Mukherjee hoped to convince the Left to support the submission of the safeguards agreement to the IAEA Board of Governors, then to the Nuclear Suppliers Group, and then take a "breather." "But I'm not sure whether he will be able to manage it," he confessed. The Ambassador pressed that global developments -- such as growing nuclear ties between China and Pakistan, China's huge commitment to nuclear energy, and India's own lack of uranium -- have made the Indian case even stronger. Narayanan added that 135-dollar barrels of oil also help build the case to enact the nuclear initiative.

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